


The Social Questions Bulletin

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THE CHURCHES AND NRA

Some preachers and other church folk are asking what to do about NRA.

RELIGIOUS LEADERSHIP SPEAKS

Some Methodists. Several of the fall Annual Conferences are assessing NRA. Northeast Ohio conference says, "It is a wholesome sign that the administration is attempting drastic changes. . . . Our former statements concerning 'social control' and the socializing of industry are increasingly vindicated." However, "all these measures still assume the legitimacy of our profit-seeking system. The administration seeks to regulate rather than change our economic order, and seeks a planned economy on the basis of 'fair competition' . . .", whereas "a Christian social order will not be established until we abolish the system. . . ." Also it warns against becoming "as, unhappily, we did become in the World War, a sounding board for government propaganda." Wisconsin conference senses in NRA "a partial validation of principles for which it has contended" and recommends "an attitude of constructive sympathy and cooperation in so far as this is in keeping with Christian ideals," but adds, "We call attention to the dangers inherent in the NRA, namely, that the church may become a mere mouthpiece of the national propaganda, that surface changes be accepted for fundamental changes in our economic system, that labor groups be deprived of the ancient right of protest."

American Rabbis. The Commission on Social Justice, Central Conference of American Rabbis, sees the Federal administration "engaged in a valorous effort to pump a little altruism into an acquisitive economic system" and believes that "implied in the New Deal are not only new economics but a new morality."

Roman Catholics. The *Yardstick*, of the National Catholic Welfare Conference, interprets NRA in terms of Pius XI's Encyclical on Reconstructing the Social Order. That called for a living wage for workers, urging employers and employed to get together to overcome obstacles and "let them be aided . . . by the wise measures of public authority." NRA gives the Catholic employer "an opportunity to throw his weight in his trade association toward a true living wage for all; toward the wages and hours that will give maximum employment; toward fair prices; toward labor organization."

Federal Council. The Executive Committee of the Federal Council of Churches sees the nation engaged in a huge effort "to lift itself out" of the depression. It calls on church people "to consider the permanent spiritual and ethical implications" of the program. The church has long been calling for the Christian motive in industry. Now "we are summoned to cooperate in a great national effort to secure recognition of this ideal. . . . The wider spread of purchasing power which business and industry are coming to recognize as indispensable is the beginning of a material basis for that abundant life which Christianity seeks for every human being." There is now "a conjunction of economic and ethical forces." NRA does not "embody the full social ideal of Christianity." But the recovery program "aims a vigorous blow" at some of the worst types of exploitation. Specifically, it provides for the abolition of child labor; recognizes the rights of workers to organize; attempts to balance equitably privilege between rural and urban populations. It calls for "voluntary and unselfish acceptance" of the principles involved by the various economic groups.

SOME QUESTIONS

Some of these utterances of the religious organizations recall their declarations in support of the World War. *Do they show the same unawareness of underlying causes and inevitable consequences? Will they be followed by corresponding disillusionment and repentance?*

The root question is *whether it is possible to move continuously toward "the full social ideal of Christianity" within the framework of a decaying capitalist economy.*

Some of these religious bodies have put their blessing upon an attempt of the state to reform the capitalist system and enable it to run a little longer than it could of its own power. *Will they now proceed to analyze for their constituency in the joint operation of the NRA and AAA the points at which the law of profit, without which the capitalist economy cannot function, makes impossible their social ideals and even destroys the present limited "conjunction of economic and ethical forces" they are now rejoicing over?*

The contradiction between the aims of the NRA and the nature of the capitalist economy will be the subject of a later Bulletin.

Meantime the church bodies face a simpler question: *Do the humanitarian aims and standards of the NRA really coincide with the social ideals of religion at those points? If so, what do the facts show concerning the likelihood of enforcing the NRA standards?*

HUMANITARIAN FEATURES OF NRA

Church spokesmen base their recommendation of cooperation in part on the humanitarian aspects of the program.

Child Labor. The President's blanket code binds those signing it not to employ anyone under sixteen, except that children between fourteen and sixteen may work 3 hours a day between 7 and 7, not in manufacturing and mechanical industries. This is one of the measures designed to make more jobs. The cotton industry, a chief offender in employing children, was the first to have a code approved. It eliminates child labor. All of the codes thus far signed carry this prohibition, though some exceptions are allowed.

This represents pure gain if the codes are enforced. *Must workers organize to ensure enforcement?* (See below.)

Jobs for the Jobless? The immediate objective of NRA was to get the unemployed back to work. The administration knew there would not be jobs for the entire 15 million or more jobless. Its statisticians reported that there were 3½ million who could not be re-absorbed, chiefly because of the technological improvements since 1929. But NRA leaders claimed that by Labor Day 6 million would be back. As it turned out, the number was about 2,500,000. The A. F. of L. now puts its estimates at 2,800,000. This leaves about 12,200,000. *What is to be done with them?*

Working Hours. The main means provided is the shortening of the work-time of those already in jobs. The Recovery Act calls for standards of working hours and the President's blanket code provides for a 35-hour week for factory workers and a 40-hour week for white-collar employees. The codes as adopted by the leading industries specify maximum hours. These are almost uniformly longer than the blanket code—usually 40 hours for industrial workers, with many an exception in the direction of longer hours.

Is this a repetition of President Hoover's "share-the-work" program? Does it spell anything more than share-the-misery? How can the shorter work-day make for the more abundant life if the workers do not have a cultural wage?

Wages. The Recovery Act provides for standards in wages. The blanket code sets a minimum of 40 cents an hour for factory workers—\$14 for a 35-hour week. Wages in the codes as they are adopted are often even lower: in the south \$12 in cotton textiles, \$13 in woolen textiles, \$13 in men's and children's clothing; in electrical manufacture \$12.60, in lumber \$10.80, for some classes of workers. Recently the blanket code has been "modified" for the laundry industry. It permits a 14c an hour wage in the south—about \$6.30 for a 45-hour week. Compare these NRA wages with the Minimum Health and Decency Budget as priced for June by Labor Bureau, Inc., from Bureau of Labor standards: in New York City \$32 a week; in Schenectady nearly \$30; in Chicago over \$33; in San Francisco over \$38; similar amounts for other cities. Compare them also with that \$5,000 per family which Stuart Chase and George Soule have been telling us should be our 10-year-from-now goal if a mass production, technological society is to keep running.

Are Wages Responding? For the first two months of the administration, payrolls rose nearly 3 times as much as employment. That meant that some workers were getting more pay. Then employment partly caught up with payrolls. In July the advances were about identical. In late summer the payrolls again increased faster than employment. In mid-September it appeared that wage scales were holding up and that wage rates, total employment and total payrolls were slowly moving upward. Now the Bureau of Labor statistics has data on the wage effects of individual codes. They indicate that individual purchasing power of workers has not been increased. Wage rates rose in per cents about as much as hours of work fell; thus the weekly average is about the same—sometimes lower. In woolen and worsted goods July 15th \$17.36, August 15 \$17.83; electrical machinery for the two dates \$20.45, \$20.17; dyeing and finishing \$18.36 and \$18.04; shipbuilding \$18.95 and \$18.59; cotton \$11.36 and \$13.17. (Also see below concerning prices.)

For "Fair" Competition. The main objective of the minimum wage and maximum hour requirements is to end unfair competition. The business agreements called for by the Recovery Act are known as "codes of fair competition" and are to have the force

of law. They provide for the elimination of other unjust competitive devices besides long hours, low wages, and child labor—for instance, secret rebates, pirating of labels and trade marks, misrepresentation of competitors' goods.

Concerning Prices. The reason for ending unfair competition is that industries may raise their prices—the humanitarian aspects are not primary. Here a dilemma occurs—a race between higher wages and higher prices. The meager wage minimums are in some cases partly or wholly offset by the shortening of hours. Prices have in some cases gone up faster than production costs justify. Manufacturers, retailers and middlemen have tended to hurry to put up prices in anticipation of the higher costs that the codes would impose. And there has been dallying in getting the codes ready. Thus prices tend to be out of proportion to total payrolls. Also AAA officials say that industrial prices are going up faster than farm prices. (A later Bulletin will discuss the agricultural program.) Now the National Industrial Conference Board (employers), after a wide survey, says that the real weekly earnings of workers throughout the nation declined 1.8% during August. There was a slight rise in average weekly earnings, but these were offset because the cost of living rose more.

Why not preachers' committees of social action all across the country to check on consumers' complaints about prices?

LABOR ORGANIZATION

The church spokesmen base their appeal for cooperation partly on the administration attitude to labor organization.

In the Recovery Act. The Act definitely provides for the right of labor to organize and to bargain collectively—with no interference from employers. Employers are also expressly prohibited from compelling employees either to join company unions or to refrain from joining organizations of their choosing. Organized labor is recognized in another way. Upper A. F. of L. officials have high positions in NRA administration. The "orthodox" labor movement is intimately interwoven with NRA.

How Did It Happen? The A. F. of L. claims that President Green was responsible for the famous labor section. The Act was in fact a substitute for certain bills which organized labor had been supporting, especially the Black bill calling for a 30-hour 5-day week, and, after amendment, for minimum wages. To have labor's support the substitute act must make real labor concessions. Also the help of organized labor is essential if the codes are to be enforced. Moreover, the administration is frankly a "liberal" one, with a number of long-time labor sympathizers in official positions. Again, labor recognition is counted on to minimize labor revolt, or to head it off—the A. F. of L. is always ready to fight "the red menace."

A Magna Charta? At first the A. F. of L. openly praised and boosted NRA. As the code hearings began to show up the old conflict between "capital and labor," and as the meagerness of labor's gains became evident, it took another tack. Its executive committee now expresses bitter disappointment with NRA results and calls on its unions to stand together in safeguarding labor standards. It begins again to demand the 30-hour, 5-day week and to talk about a campaign to unionize the basic industries, a job which it has up to now largely neglected.

Left-Wing Interpretation. The left wing unions and spokesmen have from the first interpreted NRA as a deliberate device to save capitalism. The labor clauses are to them "an elaborate apparatus to fool the workers into believing that they are the President's chief concern"—and they see A. F. of L. officialdom as a willing tool. They go further. They see the whole recovery program as a smoke-screen for intensified war preparations—and aimed especially at the Soviet Union. This point of view was publicly stated at the Anti-War Congress just held in New York by such prominent non-Communists as A. J. Muste and J. B. Matthews.

Unionization and Strikes. The recent more aggressive A. F. of L. attitude and activity is in part a response to this growing left-wing element and to rank and file pressure. Workers are pressing into A. F. of L. and radical unions and a wave of bitter strikes is going across the country. NRA, the workers say, must "actually show in the pay envelopes"—and this means chiefly that they are "dealing with their bosses, not with the government."

Some Results. There are some immediate gains—in the New York area, for instance, since mid-September 60,000 dressmakers, 15,000 embroidery workers, 25,000 underwear workers, 18,000 painters, and several other groups have gone back to work with higher wages, shorter hours, and usually union recognition, as a result of strikes. Also some farther-reaching ones: Rank and file workers are testing their power. It was the cry of thousands of striking miners, "No code, no coal," that forced the coal employers to sign a code that contained the union clause (and without the automobile code concession giving employers the right to base hiring and firing on "merit"). The coal strike continues and spreads because some operators refuse to come in under the adopted code, and because steel companies with coal subsidiaries refuse to sign the coal code.

NRA and Strikes. When recently the National Labor Mediation Board was set

up the President said that it called for effort to avert strikes and lockouts, or any aggressive action during the recovery program. Mary Van Kleeck, of the Russell Sage Foundation, thereupon resigned from the advisory council of the U. S. Employment Service in protest, considering the administration's position a threat to the collective bargaining provision of NRA. Now the administration proposes to make the mediation board, with its 15 branches, the foundation of permanent judicial machinery to eliminate class conflict. Senator Wagner, chairman, says that this does not abrogate strikes, but that workers should be able to obtain through it anything they could get by striking.

What Are Labor's Rights? Wherever labor shows a fighting spirit, under the new as under the old deal, terroristic methods are used against it. Some local NRA boards have assumed that strikes are unpatriotic. In New York City some injunctions deny workers' rights to picket NRA firms and to organize in Communist-led unions. Representatives of the American Civil Liberties Union and various labor groups have asked the President to clarify the administration attitude on these and related matters. He has replied that he declines to make any general statement on these issues but will interpret the codes in specific cases.

Shall the preachers' committees of social action investigate all local strikes?

If labor can get its elemental human rights, even under NRA, only by striking for them, shall church folk be with the administration or with labor?

BIG BUSINESS ATTITUDES

The church spokesmen further base their recommendation of cooperation on the fact that social control is now to be exercised over big business. The Federal Council hopes for "voluntary and unselfish acceptance" of the program by all groups, including employers, investors, bankers.

A Little Side-Light. Andrew Mellon's aluminum trust has submitted a code. The minimum wages for adults would represent a reduction from the existing scale. The vice-president of the Aluminum Company of America told an NRA deputy administrator that it had been paying 22c an hour in its Arkansas bauxite mines, had raised it to 30c to get the blue eagle, but wanted to make it 25c under the permanent code. In factories where highly explosive aluminum bronze powder is made girls are paid 63c a day.

Sabotaging the Codes. Thousands of cases of code violations are being reported to NRA and its local boards. Also anyone who looks around can find them in his own community. These include: dismissal of workers for joining unions in anticipation of the code requirements; laying off higher paid workers, sometimes rehiring at lower wages; speeding up workers to make up for loss through shorter hours; signing up for blue eagles after making mere nominal changes; posting notices or putting them in pay envelopes telling workers that they do not have to join labor organizations. In part this sabotage organized. The September *Electrical Workers Journal* tells of a vigorous campaign against NRA by the National Manufacturers Association.

Shall the preachers' committees of social action check on the workers' complaints of code violations?

Will Business Deal With Unions? There is a tug-of-war between the administration and the big industrialists in steel, coal, automobile, and one or two other industries over the union provisions of NRA. On paper, the former has won, with some concessions. But the steel men made it clear that their attitude would not be changed, and *Steel* and other business journals boast that the steel men won out. Henry Ford holds out against the auto code and closes his Edgewater, N. J., plant rather than deal with the striking workers. And see above for struggle in coal and steel.

What Business Stands to Lose and Gain. Many business men welcome the New Deal. They can afford to accept the new kind of regulation for the sake of getting excused from obeying the anti-trust laws and by way of getting rid of the "unfair practices" of their competitors. A news service "privately circulated for business executives" names some good and bad features of NRA. Good ones include the stopping of price decline due to cutthroat competition and integration of trades and industries. Doubtful or bad ones include public discontent over meagerness of new employment; tremendous increase in strikes, many small businesses howling because they must suspend, farmers about to rise up in wrath over more rapidly rising prices of things they must buy than of things they produce. The service says that enthusiasts for NRA should recognize that it is using a barrage of ballyhoo to cover up its lack of organization and of agreement upon permanent principles.

Does the record justify the churchmen's faith? Will the controlling forces of the business world unselfishly submit to sufficient control to inaugurate the "full social ideal of Christianity"?

Sources. Current daily, liberal, labor and financial press; Federated Press releases; collected NRA items in files of Labor Research Association; "A Primer of 'New Deal' Economics," by J. G. Frederick.